

1004 Santa Cruz
Espanola, NM 87567



Register for Additional Info: www.nmapartment.com/santacruz1004
Seller Concession to Buyer: NMAA-2583004

Santa Fe County/Espanola family style compound

Units: 7
Appx Size: 5,741 sf
Land: 1.15 ac
Price: \$1,023,993
GRM: 8.32
Cap Rate 7.50%
After Tax IRR: 13.80%
10.90%

The Offering

NM Apartment Advisors and Maestas Realty Service are excited to bring to market an amazing compound style community in northern New Mexico and in one of the hardest markets for an investor to make an entre in—world recognized, Santa Fe (county) NM.

In addition to being the state capital, and the oldest capital in North America, Santa Fe is a top market on the planet for travel, culture, food, arts, film/tv and so much more.

This seven plex is well located in close proximity jobs, retail, restaurants, casinos and the world famous El Parasol and Rancho Chimayo Restaurants. Each of the units has it's own laundry or shares with one additional unit. Most of the residences have their own private yard spaces and truly feel like separate cottages in a larger northern New Mexico familial compound setting.

The property is a value add opportunity if repositioned to take advantage of the announced 20,000 jobs, at the rate of 2,000 per year, at Los Alamos National Laboratories (LANL) that will spill in the surrounding towns, cities and counties. The subject property is located 22 miles to the front gate of LANL.

Do not miss out on this rare opportunity to buy into a market that offers northern NM architecture in a family compound that is poised on the cusp of phenomenal job growth.



The Property

Address: 1004 Santa Cruz		
Number of units: 7		
Year of construction: 1945 & 1949 per county assessors records		
Bldg. Size: 5,741 sf +/- per Owner		
Site Size: 1.15 acres		
Avg. Unit Size: 820 sf		
UPC#: 174921127		
Legal: T20 N R 8 S2 1.15 AC Tract 188		
Ask Price: \$1,023,993		
\$/ unit: \$144,285		
\$ /sf: \$178.37		
	Actual/Est (2024)	Proforma (2025)
Avg. Rent:	\$1,539	\$1,661
GRM:	8.32	7.61
Cap Rate Before reserves:	7.67%	7.88%
Cap Rate After reserves:	7.50%	7.71%
Year 1 NOI:	\$76,800	\$78,970
Before Tax IRR:	13.8%	
After Tax IRR:	10.9%	

Annual Property Operating Data (APOD)

NM Apartment Advisors Financial Overview for:

1004 Santa Cruz (State Road 76) Espanola, NM

Prepared by: Todd Clarke, CCIM

6/25/2025

"AS-IS condition"

Unit/Rent Summary

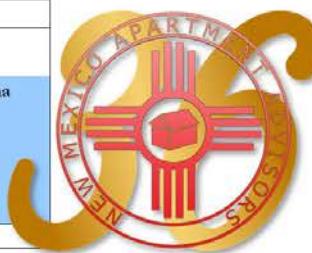
				E		C		A			
#	Type	Style	Approx Size	Actual Rent	Street Rate	Market Rent	Actual Rent \$/sf	Total Actual	Total Max Rent for this type	Total Market Potential	Total Leaseable sf
1000A	2br/.75ba	- part of duplex	750	\$ 1,850	\$ 1,850	\$ 1,850	\$ 2.47	\$ 1,850	\$ 1,850	\$ 1,850	750
1000B	1br/1ba	- part of duplex	675	\$ 1,550	\$ 1,550	\$ 1,550	\$ 2.30	\$ 1,550	\$ 1,550	\$ 1,550	675
1002A	2br/1ba	- casita	1,150	\$ 1,950	\$ 1,950	\$ 1,950	\$ 1.70	\$ 1,950	\$ 1,950	\$ 1,950	1,150
1002B	1br/1ba	- casita	736	\$ 1,625	\$ 1,625	\$ 1,625	\$ 2.21	\$ 1,625	\$ 1,625	\$ 1,625	736
1002C	1br/1ba	- casita	500	\$ 1,400	\$ 1,400	\$ 1,400	\$ 2.80	\$ 1,400	\$ 1,400	\$ 1,400	500
1004A	2br/1ba	- part of duplex	1,000	\$ 1,250	\$ 1,250	\$ 1,850	\$ 1.25	\$ 1,250	\$ 1,250	\$ 1,850	1,000
1004B	1br/1ba	- part of duplex	700	\$ 1,150	\$ 1,150	\$ 1,400	\$ 1.64	\$ 1,150	\$ 1,150	\$ 1,400	700
7	total units / Average Rent =			\$ 1,539	\$ 1,539	\$ 1,661		\$ 10,775	\$ 10,775	\$ 11,625	5,511 3,729 assessor
	Average Rent per sf =			\$ 1.96	\$ 1.96	\$ 2.11		\$ 129,300	\$ 129,300	\$ 139,500	Avg. Size= 787

Benchmarks

Offering Price \$1,023,993
\$/unit \$146,285
\$/sf \$185.81

	Actual	Proforma
GRM	8.32	7.34
CAP Before Reserves	7.67%	7.88%
CAP After Reserves	7.50%	7.71%
Cash on Cash	6.25%	7.10%
DCR=	1.26	1.30

Walkscore: 19, Bike Score: 31



Income

A.	Total Potential Market Income	\$ 139,500	
B.	Less: loss to market lease	\$ 10,200	7%
C.	Total Potential Income (Street)	\$ 129,300	
D.	Less: Loss to lease	\$ -	0%
E.	Total Income	\$ 129,300	
F.	Less: vacancy	\$ 6,465	5.0%
G.	Effective Rental Income	\$ 122,835	
H.	Plus: Other Income	\$ 285	Pet Fees
I.	Gross Operating Income	\$ 123,120	2024 actual \$104,504

Expenses (Annual)	EOY 2024			Based on:		
		\$/unit	%			
Real Estate Taxes	\$2,948	\$421	2%	2024 Actual		
Personal Property Taxes				Based on \$340,885 assessment		
Property Insurance	\$6,243	\$892	5%	Owner Provided		
Property Management	\$13,412	\$1,916	11%	10% plus NMGR		
Off Site Management						
Payroll-Onsite Personnel						
Expenses/Benefits						
Taxes/Workman's Compensation						
Repairs and Maintenance	\$7,387	\$1,055	6%	Est. Owner Actual 2024 was \$5,329		
Utilities:						
Water, Sewer, & Garbage	\$3,885	\$555	3%	Owner Actual 2024		
Gas	\$2,108	\$301	2%	Owner Actual 2024		
Electric	\$6,699	\$957	5%	Owner Actual 2024		
Cable						
Internet	\$550	\$79	0%	Owner Actual 2024		
Landlord Standby						
Accounting and Legal						
Advertising/Licenses/ Commissions						
Admin/Supplies	\$98	\$14	0%	Owner Actual 2024		
Miscellaneous						
Landscaping	\$1,239	\$177	1%	Owner Actual 2024		
Reserve for replacement	\$1,750	\$250	1%	new lender may require		
Total Operating Expenses	\$46,320	\$6,617	38%			
Net Operating Income	\$76,800	\$10,971				
Less: Annual Debt Service	\$60,795	\$ 767,995	75%	\$5,066	25	6.25%
Cash Flow Before Taxes	\$16,005					

Proforma 2025			Based on:			Forthcoming yr.
	\$/unit	%				
\$7,528	\$1,075	5%	Estimate at 85% of sales price			
\$7,500	\$1,071	5%	Estimate			
\$14,437	\$2,062	10%	10% plus NMGR			
\$7,609	\$1,087	5%	Potential 2025 = 2024 + 3%			
\$4,002	\$572	3%	Potential 2025 = 2024 + 3%			
\$2,171	\$310	2%	Potential 2025 = 2024 + 3%			
\$6,900	\$986	5%	Potential 2025 = 2024 + 3%			
\$566	\$81	0%	Potential 2025 = 2024 + 3%			
\$101	\$14	0%	Potential 2025 = 2024 + 3%			
\$1,277	\$182	1%	Potential 2025 = 2024 + 3%			
\$1,750	\$250	1%	new lender may require			
\$53,840	\$7,691	39%				
\$78,970			Potential Market less 5% vacancy + other income			
ADS			Loan	LTV	Pmt	Term
\$60,795	\$	767,995	75%	\$5,066	30	6.25%
\$18,175						

Internal Rate Of Return Analysis—5 year projection

		Year	1	2	3	4	5	6	Calculated for 1st year of next owners, ownership
Total Potential Market Income	2.0% Increases		\$139,500	\$142,290	\$145,136	\$148,039	\$150,999	\$154,019	
2 Less: loss to market lease	7.3%		\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	
3 Total Potential Income (Max Rent)			\$129,300	\$131,886	\$134,524	\$137,214	\$139,958	\$142,758	
4 Less: Loss to lease	0.0%		\$0	\$0	\$0	\$0	\$0	\$0	
5 Total Income			\$129,300	\$131,886	\$134,524	\$137,214	\$139,958	\$142,758	
6 Less: vacancy	5.0%		\$6,465	\$6,594	\$6,726	\$6,861	\$6,998	\$7,138	
7 Effective Rental Income			\$122,835	\$125,292	\$127,798	\$130,353	\$132,961	\$135,620	
8 Plus: Other Income	2.0% Increases		\$285	\$291	\$297	\$302	\$308	\$315	
9 Gross Operating Income			\$123,120	\$125,582	\$128,094	\$130,656	\$133,269	\$135,934	
Total Operating Expenses	1.5% Increases		\$46,320	\$47,015	\$47,721	\$48,436	\$49,163	\$49,900	
Net Operating Income			\$76,800	\$78,567	\$80,374	\$82,220	\$84,106	\$86,034	
Mortgage Balance			\$754,827	\$740,812	\$725,896	\$710,020	\$693,123		
ADS			\$60,795	\$60,795	\$60,795	\$60,795	\$60,795		
- Principal Reduction			\$13,168	\$14,015	\$14,916	\$15,876	\$16,897		
= Mortgage interest			\$47,627	\$46,780	\$45,878	\$44,919	\$43,898		
- cost recovery (annual)	27.5 yrs @ 1. 80%		\$28,549	\$29,789	\$29,789	\$29,789	\$28,549		includes mid mon
= Taxable Income			\$624	\$1,998	\$4,706	\$7,512	\$11,660		
Tax on income at ordinary income rate of 2. 35%			\$218	\$699	\$1,647	\$2,629	\$4,081		
NOI			\$76,800	\$78,567	\$80,374	\$82,220	\$84,106		
- Annual Debt Service			\$60,795	\$60,795	\$60,795	\$60,795	\$60,795		
= Cash Flow Before Tax			\$16,005	\$17,772	\$19,579	\$21,425	\$23,311		
- Less Ordinary Income Tax			\$218	\$699	\$1,647	\$2,629	\$4,081		
= Cash Flow After Tax			\$15,786	\$17,073	\$17,932	\$18,796	\$19,231		

Sales Worksheet	
Calculation of Adjusted Basis	
1 Basis at Acquisition	\$1,023,993
2 + Capital Additions	
3 -Cost Recovery (Depreciation) Taken	\$146,465
4 =Adjusted Basis at Sale	\$877,529
Calculation of Capital Gain	
Disposition CAP Rate	7.5%
5 Sale Price	\$1,147,121
6 -Costs of Sale	\$91,770
7 -Adjusted Basis at Sale	\$877,529
8 =Gain or (Loss)	\$177,823
9 -Straight Line Cost Recovery (limited to gain)	\$146,465
10 =Capital Gain from Appreciation	\$31,358
Calculation of Sales Proceeds after tax	
11 Sale Price	\$1,147,121
12 -Cost of Sale	\$91,770
13 -Mortgage Balance(s)	\$693,123
14 =Sale Proceeds Before Tax	\$362,229
16 -Tax: Straight Line Recapture at 25.0%	\$36,616
17 -Tax on Capital Gains at 20.0%	\$6,272
18 =SALE PROCEEDS AFTER TAX:	\$319,341

IRR Before tax =	13.8%
n	\$
0	\$ (255,998)
1	\$16,005
2	\$17,772
3	\$19,579
4	\$21,425
5	\$23,311 + \$362,229

IRR After tax =	10.9%
n	\$
0	\$ (255,998)
1	\$15,786
2	\$17,073
3	\$17,932
4	\$18,796
5	\$19,231 + \$319,341

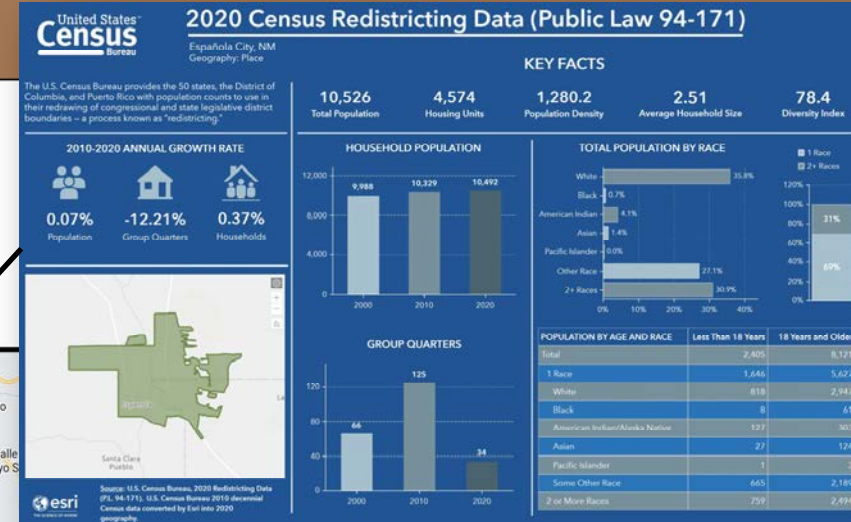
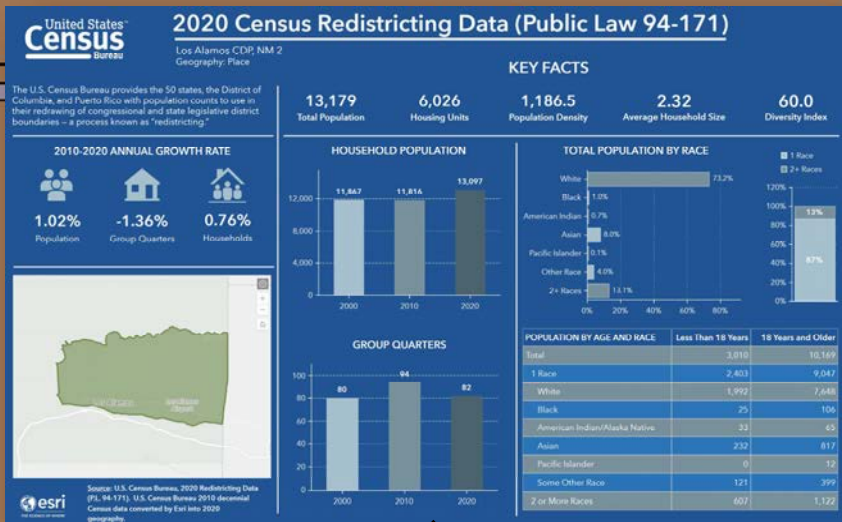
As a commercial real estate investor, the federal tax code gives you three advantages compared to other investments including:

1. Deduct your annual mortgage interest before you calculate your taxable amount;
2. Deduct your cost recovery/depreciation before you calculate your taxable amount, in the future when you sell the property, you only pay back 25% of the benefit you received;
3. Your long term profit, or capital gain, is taxed at 20%

The combination of these benefits could help lower an investor's effective federal tax rate from 35% federal tax rate to only 21%.

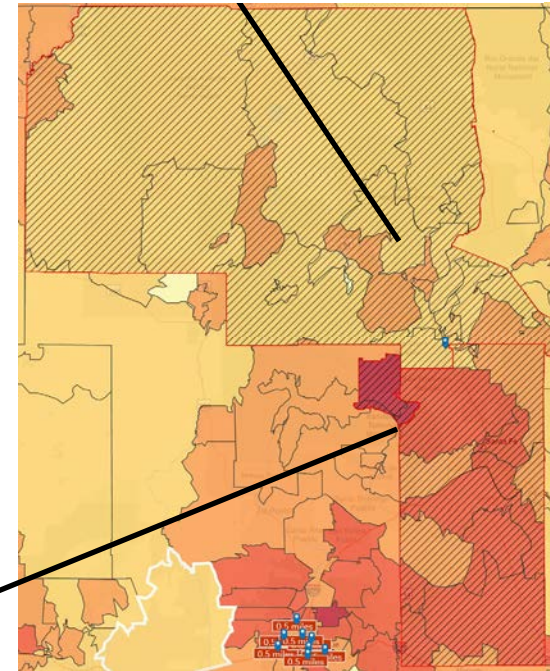
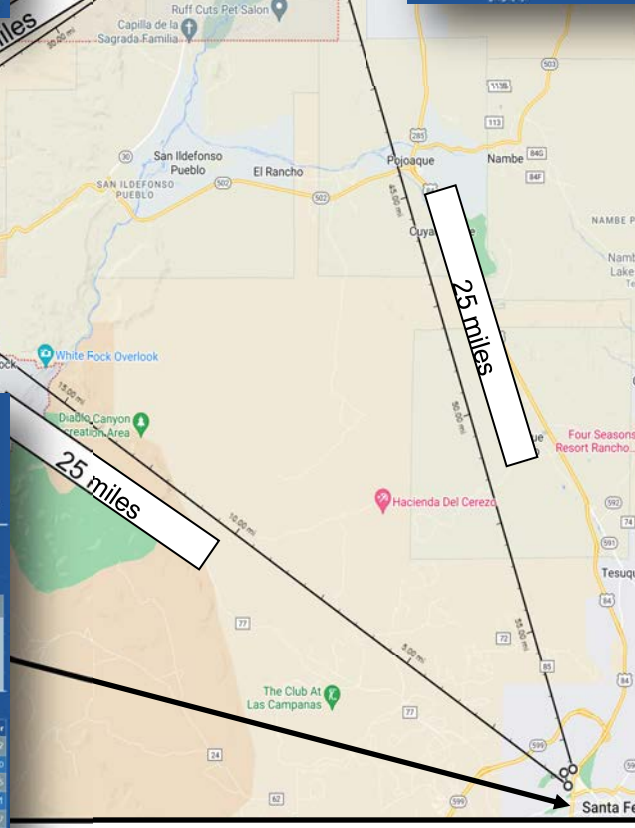
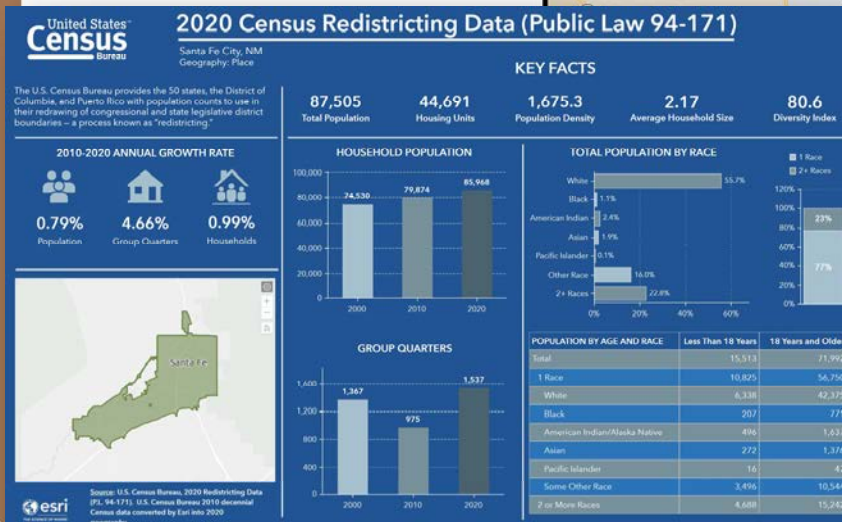
Investor's Effective Tax Rate = 21%

Understanding the geography of the Santa Fe, Espanola, Los Alamos employment triangle

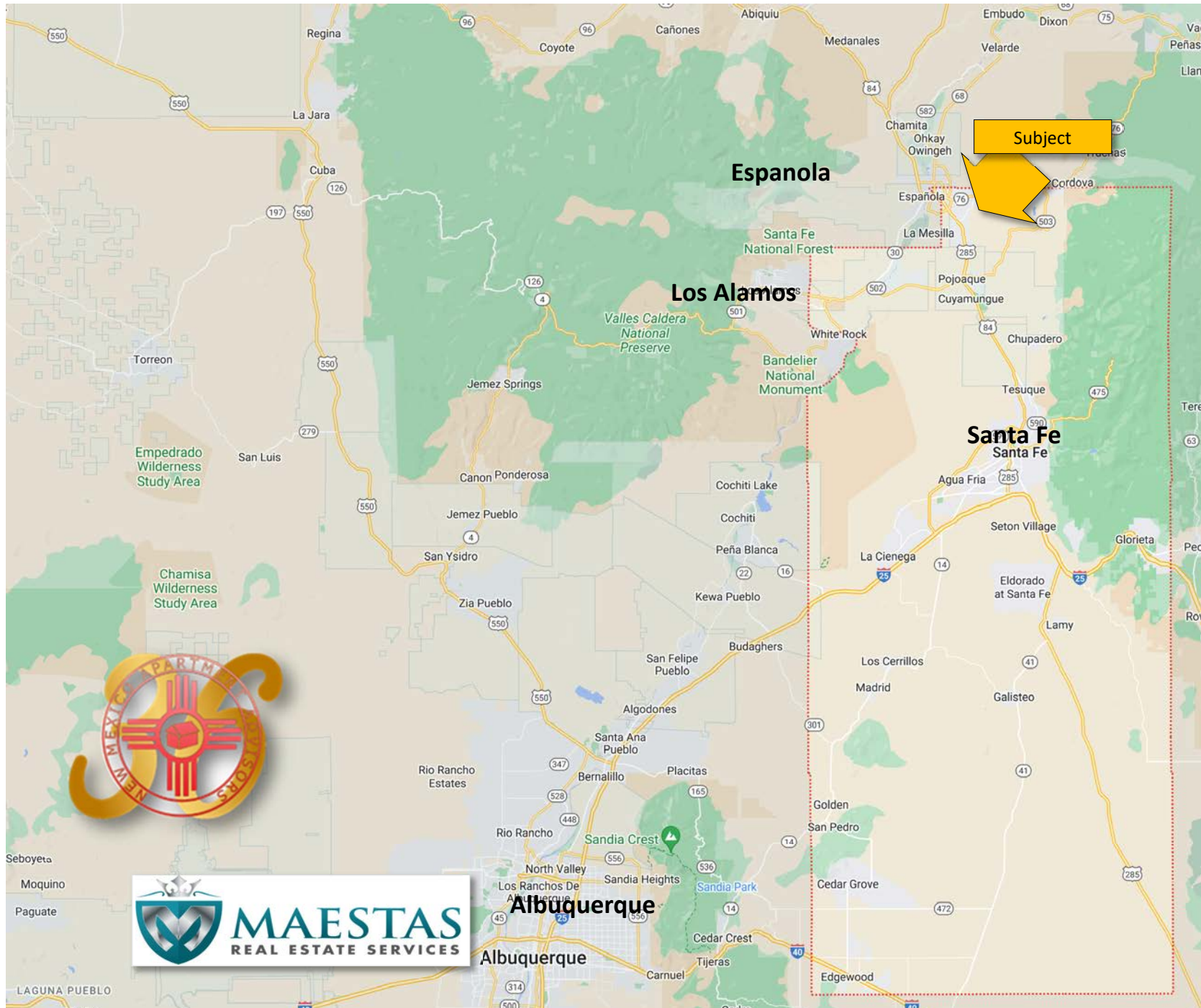


The Los Alamos, Espanola, Santa Fe triangle contains the states capital, the Las Alamos National (Nuclear) Laboratories and the agricultural focused community of Espanola, NM.

These three cities are the largest in northern New Mexico and when we include their counties of Los Alamos, Rio Arriba and Santa Fe, the total population is 217,008 with an median age of 45 and an **average household income of \$101,364**



Proximity Map



Area impact from Los Alamos National Laboratory (LANL)

Background

The Los Alamos National Laboratory (LANL) 2022 Economic Impact on NM

The Los Alamos National Laboratory (LANL) recently released their 2022 Economic Impact on New Mexico report. The lab invests and partners in economic development initiatives and programs that help stimulate business growth, create jobs, and strengthen our communities.



Workforce Development:

A skilled workforce is crucial to the future of the Laboratory and Northern NM. The Laboratory is working with education, business and government partners to ensure the projected workforce needs for the Laboratory and the region are met—strengthening the local economy.

SALARY DISTRIBUTION BY MAIN COUNTIES:

Los Alamos	\$689,636,978
Santa Fe	\$386,057,175
Rio Arriba	\$170,383,657
Bernalillo	\$73,916,794
Sandoval	\$59,388,298
Taos	\$19,816,450
Other NM*	\$25,701,896

\$1.53 billion
annual salary total.
(*craft/contractor salaries
not included)

Employment

Los Alamos National Laboratory is a workplace that attracts, inspires, and develops world-class talent to ensure a vital future workplace. Diversity fuels our innovative, agile, and principled workforce which is essential to solving problems of global importance.

14,054
total employees
(not including contractors)

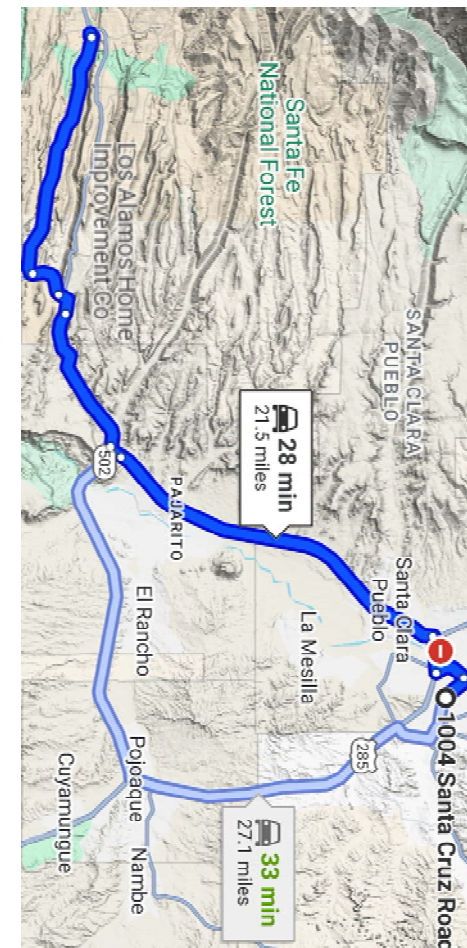
61.2%
of FY22 new hires are
from New Mexico

29.6%
of our regular/term
employees have at least one
degree from a New Mexico
college or university

\$4 billion
total Laboratory budget for
Fiscal Year 2022

Drive Time

The subject property is 22 miles to the front gate at Los Alamos National laboratories.



Property Info - Neighborhood Map



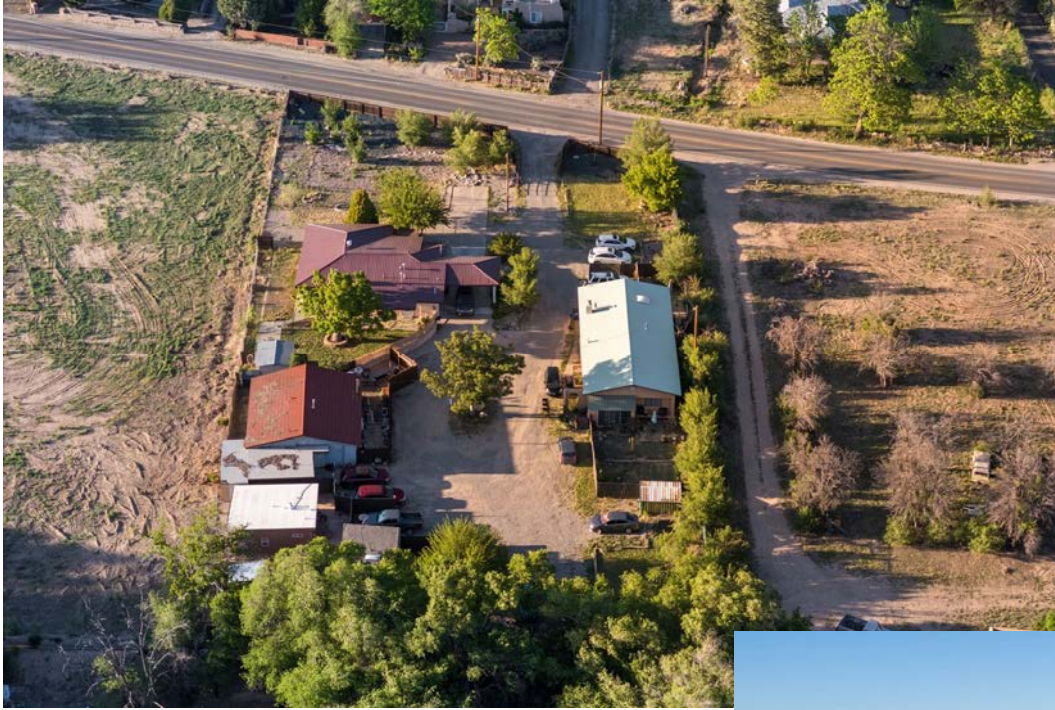
Property Photography



Property Photography



Property Aerial

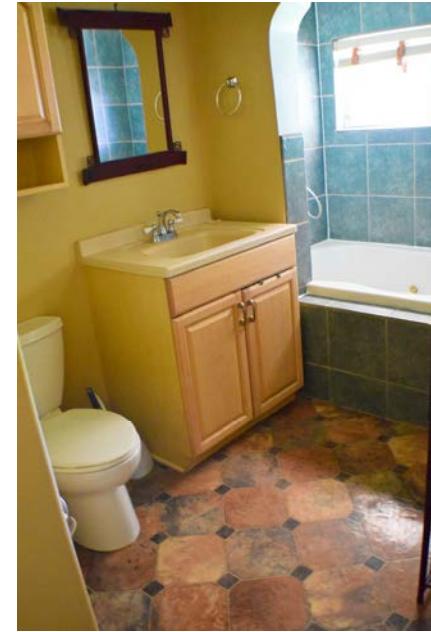


Property Photos - 1000A



Photos provided by the owner

Property Photos - 1000B



Photos provided by the owner

Property Photos - 1002A



Photos provided by the owner



Property Photos - 1002B



Photos provided by the owner



Property Photos - 1002C



Photos provided by the owner



Property Photos - 1004A



Photos provided by the owner

Property Photos - 1004B



Photos provided by the owner



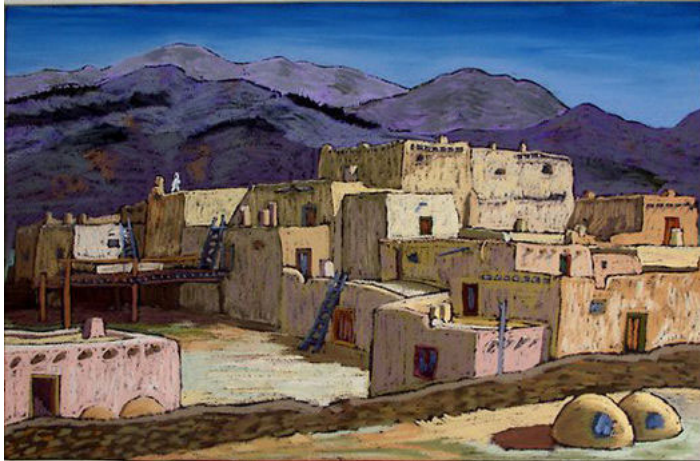
Area info - Santa Fe just south of the Taos Art Colony



The Taos art colony was an art colony founded in Taos, New Mexico, by artists attracted by the culture of the Taos Pueblo and northern New Mexico. The history of Hispanic craftsmanship in furniture, tin work, and other mediums also played a role in creating a multicultural tradition of art in the area.

The 1898 visit by Bert Geer Phillips and Ernest L. Blumenschein to Taos was an early step in the creation of the Taos art colony and the Taos Society of Artists. In addition to the society, Mabel Dodge Luhan was instrumental in promoting Taos to artists and writers within her circle.

In the early-20th century, modern artists infused the area with a new artistic energy, followed in the 1950s by abstract artists. Today Taos supports more than 80 galleries and three museums. There are a number of organizations that support and promote the work of artists on the Taos Pueblo and in the Taos area.



Taos Pueblo artists

Ancient artistic traditions have been manifested in native craft for generations; an important acknowledgement for understanding the inherent aesthetic allure of this area to the Anglo-American artists. Making paintings with oil and watercolor was a new form of art to the Santa Fe Pueblo who traditionally painted objects such as hides or inside buildings, such as on the walls of a kiva, but one embraced by artists such as Albert Looking Elk, Albert Lujan, Juan Mirabal and Juanito Concha. They provided artwork that was realistic of the Native American lifestyle in contrast to the work of Anglo-Americans romantic depictions. Traditional design elements were formalized at the Taos Indian School, defining authentic Native American art.

Juanita Suazo Dubray, a lifelong resident of Taos Pueblo, is a Native American potter. In 1980, at the age of 50, Dubray began making micaceous pottery, upholding the tradition of her mother and their ancestors. Dubray added an element of sculptural relief with icons of corn, turtles, lizards, and kiva steps in relief; Her original corn design her most recognized symbol. Lori "Pop Wea" Tanner (died 1966) was also a noted potter from Santa Fe Pueblo. Pop Chalee, also known as Merina Lujan and "Blue Flower" (1906–1993), was the daughter of a man from the Santa Fe Pueblo; her mother was of Swiss descent. In the 1920s she attended the Santa Fe Indian School and in the 1930s Dorothy Dunn's studio of the same school. Multi-talented, Chalee was a muralist and art instructor; she also worked in radio and the film industry.

Hispanic artwork

In the late 18th and early 19th centuries it was very expensive to ship furniture to New Mexico. Hispanic carpenters built, with great artistry, cajas (storage chests), harineros (grain chests), trasteros (kitchen cupboards) and other furniture. The work was generally carved and painted brightly. Tinwork was also made with materials brought from Mexico and sometimes along the Santa Fe Trail. A significant growth in tin work occurred, though, once the railroad opened. At first most of the tin work was in the form of religious, devotional items. By the turn of the 20th century, tinsmiths were creating sconces, lanterns and trinket boxes. Commissioned by churches and individuals, artists created sacred images called Santos of Roman Catholicism. Patrociño Barela (1900–1964) made secular works that greatly influenced contemporary santeros. His work, shown at the Museum of Modern Art in New York with other artists of the Federal Art Project, was the first Mexican American artist to receive national recognition. In addition to the Santa Fe museums, the Martinez Hacienda, a fortress occupied by Padre Martinez's family in the 19th century, provides examples of the integration of Spanish and Pueblo artistic movements in retablos (santos painted on flat pieces of wood), bultos (santos carved out of wood and sometimes painted), as well as tin work, jewelry, and basketry.

Area Info - Santa Fe a UNESCO Creative city



Culture has always been at the heart of Santa Fe and has been an integral part of the city's history and cityscape. The exchange of goods and ideas is deeply rooted in Santa Fe, starting with the trade fairs attended by Native Americans and Mexico's indigenous population, to El Camino Real and the Santa Fe Trail, to the vibrant markets and art fairs of today. Santa Fe's appointment to the UNESCO Creative Cities Network is a testament to the city's important achievements in cultural industry development.



Santa Fe has a wealth of cultural resources that have helped build the city into what it is today. Native American traditions, including weaving, pottery, jewelry and dance remain an important part of contemporary Native culture and are present throughout the city. Spanish colonial art forms also continue to thrive today including folkloric dances, straw applique and tinwork. Santa Fe, where one in 10 jobs are tied to arts and cultural industries, is also home to more than 250 galleries, a vibrant performing arts community and an impressive range of museums.

Three major annual art markets are organized: the Santa Fe International Folk Art Market; the Traditional Spanish Colonial Market and the Indian Market. Santa Fe is also proud to have the highest percentage of writers and authors in the labor force in the US.

One percent of Santa Fe's hotel tax supports local arts organizations, helping to maintain a flourishing arts community, employ artists and attract tourism. Furthermore, two percent of the cost of city buildings and infrastructure support site-specific public artworks. The Railyard, for example, is home to galleries, restaurants and the Santa Fe Farmers' Market, one of the most widely recognized farmers' markets in the United States. The Santa Fe University of Art and Design also contributes to the city's vibrant creative

economy by bringing creative young people to the city.

<https://en.unesco.org/creative-cities/santa-fe>



Georgia O'Keeffe Museum

VISIT | HAPPENING | O'KEEFFE FROM ANYWHERE | MUSEUM STORE | NEW MUSEUM



Advanced reservations required
Reserve now! The Museum sells c
quickly.

Open 10 AM - 5 PM Thursday -



Reasons to invest in Santa Fe County/Espanola, NM



Los Alamos National Laboratory

70 4.0

Follow

Write a review

Snapshot

Why Join Us

311
Reviews

1.3K
Salaries

907
Jobs

43
Q&A

Interviews

Photos

Headquarters
Los Alamos, NM

As the area's largest employer, Los Alamos National Labs (LANL) is located in a geographical limited area and has been pushing jobs and facilities down off the hill into Santa Fe, and rumored new developments in Espanola.

Revenue
\$500M to \$1B (USD)

Employees
10,000+

NEW MEXICO TRUE

Espanola

The City of Española is the southernmost point of the Española Valley on the Rio Grande.



Kiplinger

Millionaires in America 2020: All 50 States Ranked | Slide 9 of 52

44. New Mexico



MILLIONAIRE HOUSEHOLDS: 40,450

TOTAL HOUSEHOLDS: 813,135

Concentration of Millionaires: 4.97%

RANK: 44 (+1 from last year)

MEDIAN INCOME FOR ALL HOUSEHOLDS: \$47,169

MEDIAN HOME VALUE: \$174,700

New Mexico is a land of stark contrasts when it comes to its millionaire population. Los Alamos, New Mexico – best known for the world-famous Los Alamos National Laboratory – seems like an unlikely place to find a lot of millionaires. **But at 13.2%, it has the second-highest concentration of millionaires per capita of any city in the U.S.**

Espanola is situated at the border of Rio Arriba and Santa Fe Counties. It sits halfway between Santa Fe and Taos, and 30 minutes from Los Alamos. The city itself is bordered by the centuries-old Santa Clara and Ohkay Owingeh Pueblos, the original peoples of this land. Española was the original capital of the first European settlement in the United States. Originally called San Gabriel, it was settled in 1598 in the Yungue Uingue (Ohkay Owingeh) Pueblo near the joining of the Rio Chama and Rio Grande. It was here that the first Spanish settlement of Nuevo Mexico was established at the end Camino Real trade route traversing the route from Mexico to Ohkay Owingeh.

The Española Valley honors and supports cultural diversity, blending its roots of Hispanic and Native American cultures to create a rich tapestry of traditions and distinctive cuisine. It seamlessly blends the old and the new, with ancient pueblo architecture, colonial churches, historic cultural sites, New and Old Mexican restaurants, and modern breweries and wineries.

Where Cultures Unite: Considered the first European capital of New Mexico and less than an hour north of Santa Fe, the City of Española celebrates the blending of Native, Spanish, and American cultures in the verdant Río Grande Valley. On Sundays from mid-June through October, the Española Farmers Market showcases the area's rich agricultural bounty and its fantastic car culture. (Don't miss the free chile roasting on Labor Day and horno-baked goodies year-round.)

Visitors can immerse themselves in Native and Spanish weaving and other fiber arts techniques (both traditional and modern) at the New Mexico Fiber Arts Center. The Española Healing Foods Oasis project, run by nonprofit Tewa Women United, uses ancient dryland farming techniques to grow food and medicinal herbs on a formerly barren downtown slope

The Market—Santa Fe, NM

TOURISM

SANTA FE

- USA Today—3rd best destination in USA
- Times Greatest places of 2021
- Outside Magazine names Santa Fe as one of their America's Smartest Towns for "The Dream Town Blueprint"
- The Travel + Leisure 2018 World's Best Reader's Choice Awards names Santa Fe #4 of the Top 15 Cities in the U.S.
- TripAdvisor chose Santa Fe as one of the 15 Best Solo Vacations in America
- Santa Fe was named one of the Top 5 Destinations Design and Music Lovers Should Visit in July by Architectural Digest
- TravelPulse chose Santa Fe restaurant, Santa Fe Bite, for having The Best Burger in New Mexico
- Readers Digest honored Santa Fe on a list of the The Best Weekend Getaways in Every State
- The Santa Fe Margarita Trail made the list of The 10 Best Food and Drink Trails to Explore in America by Popsugar
- CBS Local named Santa Fe as having the "Best Art Museums In The Southwest"
- Santa Fe named the #3 Best Small City in America to Live by Apartment Therapy
- Insurify recognizes Santa Fe at the Greenest City in New Mexico in their Greenest City Awards
- The Daily Meal ranks Santa Fe Bite the #8 Best Burger in America
- Santa Fe, NM ranks In The Top 100 Creative Economies In The US by Creative Vitality Suite
- Santa Fe was named one of the Top 20 Cities for LGBT-Friendly Retirement in 2018 by SeniorAdvice
- Expedia names Santa Fe one of the most delicious destinations in the U.S.
- Santa Fe is highlighted on Expedia list of America's most artistic towns
- U.S. News & World Report ranks the Inn of the Five Graces as the best hotel in New Mexico as part of the Best Hotels in Every State report
- Santa Fe one of only two cities recognized worldwide in "Best Food/Beverage Destination Experience" category in the 2018 Foodtrekking Awards by the World Food Travel Association
- Santa Fe makes TripAdvisor's list of the Top 30 USA Cities to Visit in 2018
- BestProducts.com names Santa Fe one of The 50 Best Places to Visit in the USA

filmnewmexico



Santa Fe has its own studio production facility on the south part of town, and is due north of the Netflix studios which are undergoing a billion dollar expansion.



NEW MEXICO  **TRUE**

Multifamily investment sales process and thoughts:

My name is Todd Clarke CCIM CIPS and I am a commercial Realtor who has been selling apartment investments for over 36 years. In that time, I have listed/sold over 18,301 units totaling \$876M in over 900 transactions. I also teach investment sales analysis for the CCIM institute (28 years, over 4,000 students in a dozen countries). I share this with you so you know that the balance of this document comes from experience, and my ideals about how the apartment business runs. This also gives you insight into how we counsel and advocate for our clients.

Most of your **Buyer's questions** about rents, expenses, and property info can be answered by downloading the flyer & APOD (Annual Property Operating Data) from the document center. **Please READ THEM. If you are new to investment sales, I am glad to assist you, but please know:**

Showings/Tours

Residents have rights under the NM Landlord Resident Relations act, and Landlords take that law seriously.

Many Landlords consider their residents to be their **customers**. They work hard to keep them **happy**. Any attempt by a 3rd party to visit the property without the Landlord's prior written approval jeopardizes the Landlord's and Resident's happy customer relationship.

Do not disturb the residents, do not walk the property. It is considered rude to do either, and many Sellers will refuse to work with Buyers who violate this provision.

Landlords (Sellers) rarely are willing to show a property prior to having an offer.

Where possible, we have included virtual tours in high definition – please look to the flyer for those links.

Sellers suggest Buyers make an offer subject to inspection and that the buyer work hard to consolidate their inspections and appraisal review on the same business day, to minimize the impact on the residents, who are the sellers clients.

Commercial vs. Residential Real Estate sales

Apartment investments are considered commercial real estate sales. Although the occasional apartment will sell to an owner/occupant, from the Seller's and Listing Broker's perspective, they approach the transaction in a business-like manner, where it is all about the numbers, and very little about the emotions.

Commercial brokers work regular business hours during business days, and so do most of their clients. Please do not write an offer with an expiration date on a weekend, or a response period of anything less than 3 business days. Please do not text, or expect return phone calls after regular business hours.

Offers

Commercial transactions often start with a two page letter of intent or LOI – this allows the parties to share the skeleton of a deal. If they can reach a meeting of the minds, they will then flesh out the details in a purchase and sale agreement. If your client chooses to do a letter of intent, please make sure your letter of intent form includes the basics like price, closing date, contingencies, and who pays what closings costs.

The current (2021) activity level from investors interest in our marketplace is three times higher than it was before then pandemic, which was 10 times higher than it was in 2016, our market is saturated with out of state investors, and I often tell buyers that they have a 1 in 10 chance of becoming an owner, where as everyone of my Sellers have a 1 in 1 chance of selling.

Please let your client know that I work with my clients on a merit based negotiation system - we do not play the high/low game, and my **listing agreement pre-authorizes me to let you know when a (low) offer is likely not to be responded to by my Seller, so call first before your client suggests a low ball offer.**

If your client's strategy is to count days on market and expect a discount, please let them know we specialize in helping our clients establish the leading edge of current market pricing, and our clients are prepared to wait for the right investor who can meet their deal goals.

The follow-up questions Sellers ask after what is the price is, does the Buyer know the market? Have they been here? Do they have a team (management, lender, etc.) in place? Be prepared to answer these questions an advocate for your buyer, particularly if there are multiple competing offers.

Most of my Sellers are as focused on certainty of closing as they are the price, so don't be surprised when we ask you for proof of funds of down payment and a prequal letter from a qualified lender.

The standard in commercial transactions is that the Buyer pays for their own inspections and financing costs, and issues raised by the Buyer's lender are the Buyers to deal with. As the seller is sharing the information on the property with the buyer, the expectation is the buyer will share all information with the seller so they can troubleshoot/problem solve together.

BID Process

If this property is being marketed with the BID process, then **the ask (start) price is set low** with the intention of garnering a lot of investor interest that will lead to multiple offers, a best and final round **with a final close price that is considerably higher than the original ask price**. This process may be new to you, but we have been using it for over 16 years. By participating in the BID Process, best case, your buyer becomes an owner, worst case they receive an education on current market conditions.

If the property is being marketed using the BID process, the tour date and time is the **only time** the property is available for a viewing. This is not an inspection. Please do not bring your vendors, inspectors, ladders, etc. This is not an open house, but a guided tour that lasts 10 to 20 minutes and allows you a chance to view the interior condition.

Client Control

Your client's actions represent you in this transaction, and your actions represent them.

Please let your client know they have only one chance to make a good impression with my Sellers.

When in doubt, please ask for permission via email, **do not** take action and expect forgiveness from a Seller. Please let your clients know that their actions will be considered by the Seller when they review offers and rank them in likelihood to close.

Open invitation – on a monthly basis, we host a luncheon for brokers and property managers who have an interest in apartment investments – just email me for an invitation.

Please know that I love this business and I am glad to share my knowledge, expertise and enthusiasm with you and your Buyer. I want to help you, help them, to be a great landlord and investor.

I look forward to working on this transaction with you—Sincerely, **Todd Clarke CCIM CIPS**

Is the Seller offering a credit for a buyer to self represent or paying a fee for a buyer's broker?

NM Apartment Advisors has created a mechanism, where you can email 24/7 to discover what compensation/credit a seller is offering by sending an

Email to compensation@nmapartment.com with the subject: NMAA-2583004

To receive a document confirming buyer's broker compensation and/or buyer's credit from the seller for this listing.

New Mexico is on the international map

New Mexico is home to the oldest Capitol in the country, the chile capital of North America, 3rd best place for film and TV and Spaceport NM home to Virgin Galactic.

More PhDs per capita than anywhere in the US, home to two nuclear laboratories and founding location of the personal computer and Microsoft.

Taos

Sandia National Labs

Meow Wolf

New Netflix Studios

SpacePort New Mexico

New Amazon Facility

New Facebook Datacenter

Very Large Array

Chile Capitol Hatch



The Market—Albuquerque, NM



Facebook

Data Center

A



Distribution center under construction—announced 1,000 new jobs

A

Apple

N



announced \$1 Billion of new programming

G

Google

Albuquerque is home to

Three of the six F.A.A.N.G. tech companies:

Due to Sandia and Los Alamos National (nuclear) Laboratories - New Mexico has more PhDs per capita than any other state.

#3rd place in United States for Film and TV

The city has made a major investment in its transportation corridor - along historic Route 66 the new A.R.T. or Albuquerque Rapid Transit has been installed - a \$130M investment and upgrade into this transit corridor. Did you know that apartment communities in the top 10% of walk, bike or transit scores achieve 25% higher rents?

Albuquerque offers over 300 days of sunshine, ski and golf in the same day, hundreds of miles of biking/hiking trails, more parks/open space per person and North America's largest bosque forest.

Albuquerque, New Mexico in the news

☑ 9th best mid-sized city of the Future

Foreign Direct Investment magazine—03/2015

☑ 6th best city to travel to for food snobs

Travel+Leisure—03/2015

☑ America's best city for Global Trade for Skilled Workforce

Global Trade magazine—11/2014

☑ 3rd best city for rent growth

All Property Management as reported in ABQ Journal—10/2013

☑ 6th best city in US for connecting workers to jobs using Public Transportation

Brookings Institute—July 2012

☑ One of the 10 best park systems in the nation

Trust for Public Land—2012

☑ 3rd most fittest city

Men's Fitness Magazine—2012

☑ 3rd best city to make movies

Moviemaker.com—June 2012

☑ Top 25 best places to Retire

CNNMoney.com—Sept. 2011

☑ 15th best city in Bloomberg's Business Week (best cities)

Bloomberg's Business Week—2011

☑ #17th best bike friendly city

Bicycling Magazine—2010

☑ Top Ten for Being a Healthy Community

Outside Magazine—#6—August 2009

☑ One of the Best Cities in the Nation

Kiplinger Magazine—#2—July 2009

☑ Top 10 places to Live

U.S. News & World Report—June 2009

☑ AAA rates Albuquerque 2nd in vacation affordability

American Automobile Association—June 2008

☑ UNM Anderson School Ranked in Global 100

Aspen Institute, October 2007

Kiplinger

Millionaires in America 2020: All 50 States Ranked | Slide 9 of 52

44. New Mexico



MILLIONAIRE HOUSEHOLDS: 40,450

TOTAL HOUSEHOLDS: 813,135

Concentration of Millionaires: 4.97%

RANK: 44 (+1 from last year)

MEDIAN INCOME FOR ALL HOUSEHOLDS: \$47,169

MEDIAN HOME VALUE: \$174,700

New Mexico is a land of stark contrasts when it comes to its millionaire population. Los Alamos, New Mexico – best known for the world-famous Los Alamos National Laboratory – seems like an unlikely place to find a lot of millionaires. **But at 13.2%, it has the second-highest concentration of millionaires per capita of any city in the U.S.**

In addition to medicine, top-paying jobs are found in general internal medicine, engineering management and psychiatry.

Yet outside of Los Alamos, the state's concentration of millionaires puts it in the bottom 10 in the U.S. Fewer than 1 in 20 households claiming investable assets of \$1 million or more. **The upside of having fewer millionaires is that it helps keep a lid on living costs, which are 8.9% below the U.S. average.** For residents of all means, the Land of Enchantment is [somewhat tax-friendly](#), though [it's a mixed bag for retirees](#). Social Security benefits are subject to tax by the state, as are retirement account distributions and pension payouts.

Further Information

Do not walk property, or disturb residents.

To register for additional information go to:

www.nmapartment.com/1004SantaCruz

Marketing Advisors

In the event of multiple offers, BID process will be used. Additional information on the sales process can be found at www.nmapartment.com/bidprocess/bidprocess.pdf

The owner and property are represented by Todd Clarke CCIM of NM Apartment Advisors who has over 36 years of experience. If there is any information you need on the market, submarket, or the property, please do not hesitate to ask.



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